

राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)
साथ बढे समृद्धि की ओर

Priyadarshini,
Eastern Express Highway,
Sion, Mumbai - 400 022.



**RASHTRIYA CHEMICALS AND
FERTILIZERS LTD.**

(A Government of India Undertaking)
Let us grow together

प्रियदर्शिनी, ईस्टर्न एक्सप्रेस हाईवे,
सायन, मुंबई - 400 022.

दिव्येश एम. सती

कंपनी सचिव

DIVYESH M. SATI
COMPANY SECRETARY

दूरध्वनी/Tel (Off.) : 2404 5024 • फ़ैक्स/Fax : 2404 5022 • ई-मेल / E-mail : dmsati@rcfltd.com • वेबसाइट/Web. : www.rcfltd.com
CIN : L24110MH1978GOI020185

RCF/CS/Stock Exchanges /2016

29th August, 2016

The Corporate Relations Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.	The Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(East), Mumbai- 400 051.
Script Code: 524230	Script Code: RCF EQ

Sub: **Submission of Un-audited Financial Results(Standalone) for the quarter ended 30th June, 2016**

Sirs,

Pursuant to Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Un-audited Financial Results(Standalone) for the quarter ended 30th June, 2016 which has been approved and taken on record by the Board of Directors at its Meeting held on 29th August, 2016.

The Board of Directors have also approved the issue of Secured Non Convertible Debentures of Rs. 1,000/- Crore on private placement subject to the approval by the members at the general meeting.

We are also enclosing herewith Limited Review Report issued by M/s. Kalyaniwalla and Co., Statutory Auditors of the Company.

This is for your kind information and record.

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

(Divyesh M. Sati)
Company Secretary

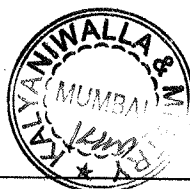
Encl: a./a.

**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

Read. Office : "Privadarshini" Eastern Express Highway, Sion, Mumbai 400 022
 CIN No. L24110MH1978GOI020185 Website: www.rcfltd.com

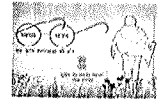
**PART I Statement of Unaudited Standalone Results for the Quarter Ended 30th June, 2016**

Particulars	Quarter ended Unaudited	
	30.06.2016	30.06.2015
	1	2
1 Income from Operations		
a Sales / Income from Operations	153720	182118
b Other Operating Income	379	336
Total Income from Operations	154099	182454
2 Expenses		
a. Cost of Materials consumed	58609	81032
b. Purchase of stock-in-trade	9598	16221
c. Changes in inventories of finished goods and stock in trade	(6869)	(17788)
d. Employee benefit expense	11632	12149
e. Power and Fuel	44330	46466
f. Freight and Handling charges	12712	18151
g. Depreciation and amortisation expense	3396	3485
h. Other expenses	14554	13049
Total expenses	147962	172765
3 Profit / (Loss) from operations before other income, finance costs and exceptional Items (1-2)	6137	9689
4 Other Income	1674	1830
5 Profit / (Loss) before finance costs and exceptional Items (3+4)	7811	11519
6 Finance Costs	4760	3328
7 Profit / (Loss) after finance costs but before exceptional items (5+6)	3051	8191
8 Exceptional Items	0	0
9 Profit / (Loss) before tax (7+8)	3051	8191
10 Tax Expense	1092	2581
11 Net Profit / (Loss) for the period (9+10)	1959	5610
12 Extraordinary items (net of tax ₹ expense lakh)	0	0
13 Net Profit / (Loss) for the period (11+12)	1959	5610
14 Other Comprehensive Income		
i. Items that will not be reclassified to profit & loss	81	81
ii. Items that will be reclassified to profit & loss		
15 Total Comprehensive Income for the period (13+14)	2040	5691
16 Paid up equity share capital (Face Value - ₹ 10/- each.)	55169	55169
17 (Reserves excluding Revaluation Reserves as per balance sheet)		
18 i.Earnings Per Share Basic & Diluted (before extraordinary item) (of ₹ 10/- each) * Not annualised	0.36 *	1.02 *
ii.Earnings Per Share Basic & Diluted (after extraordinary item) (of ₹ 10/- each) * Not annualised	0.36 *	1.02 *



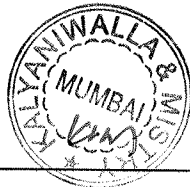
**RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED**

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Unaudited Segmentwise Revenue, Results and Capital Employed for the Quarter ended 30th June, 2016
 (₹ in Lakh)

Particulars	Quarter ended	
	30.06.2016	30.06.2015
	1	2
1 Segment Revenue		
a. Fertilizers	119534	152121
b. Industrial Chemicals	29142	23578
c. Trading	5182	6586
d. Unallocated	241	169
Total	154099	182454
Less: Inter Segment Revenue	0	0
Total Segment Revenue	154099	182454
2 Segment Results		
a. Fertilizers	2731	10842
b. Industrial Chemicals	5307	1455
c. Trading	263	27
Total	8301	12324
Less: Net Interest Expenditure / (Income)	4661	3184
Other Net Unallocable Expenditure / (Income)	589	949
Profit/ (Loss) Before Tax	3051	8191
3 Segment Assets		
a. Fertilizers	584516	519918
b. Industrial Chemicals	33565	27889
c. Trading	26253	25927
d. Unallocated	46019	34974
Total	690353	608708
4 Segment Liabilities		
a. Fertilizers	136450	97150
b. Industrial Chemicals	4244	5756
c. Trading	3762	18919
d. Unallocated	259088	203260
Total	403544	325085

**Notes:**

- The financial results are in compliance with Ind AS subsequent to its adoption w.e.f. 1st April, 2016 pursuant to MCA notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. The Comparative figures of previous period (quarter ended 30th June, 2015) have been reclassified/ regrouped/ restated by the Management under Ind AS to conform to the current period. The figures for quarter ended 30th June 2015 have not been subject to limited review or audit. The Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 29, 2016. Only the results for the quarter ended 30th June 2016 have been subjected to a Limited Review by the Statutory Auditors of the Company.
- The matter relating to the issue of unintended benefits accruing to units using domestic gas for manufacture of nutrient "N" has been referred and is pending before an Inter-ministerial Committee (IMC) of Government of India (GoI). An amount of ₹ 19894 lakh has been withheld by Department of Fertilizers (DoF) for the period January, 2014 to September, 2015 towards the same. Pending final decision on the said matter and since the Company is of the view that no unintended benefits have accrued to it and expecting full recoverability of the same, Company has continued to recognize subsidy income on P&K fertilizers at the rates notified by DoF.
- Company expects the compensation towards recognition of increase in cost of gas on account of Petroleum & Natural Gas Regulatory Board order in urea subsidy for the periods relating to 2008-09 to 2010-11 to be notified by GoI. Accordingly it has not provided for an amount of ₹ 1622 lakhs recognised as subsidy receivable towards the same which is outstanding for a period more than three years.
- Consequent to Gas pooling being made applicable to Fertilizer (Urea) sector w.e.f. 1st June, 2015, it is expected that a differential pricing of gas may be made applicable for non-urea usage. Company has represented to DoF for maintaining supply of domestic gas for P&K fertilizers and chemicals. Ministry of Petroleum & Natural Gas (MoPNG) vide its order No. L-13013/3/2012-GP-I, dated: 16th December, 2015 has directed GAIL (India) Limited to levy a higher gas price (i.e. the highest rate of RLNG used for production of urea) for gas consumed in non-urea operations. As the matter relating to the same is pending before the IMC for decision, Company has represented that any decision on the same be taken only upon the issue being settled by the IMC of GoI. However, pending finalisation of price payable as per the said letter, Company has recognised a liability of ₹ 853 lakh for the quarter and ₹19050 lakh for the period commencing from 1st June, 2015 to 15th May, 2016 based on the pooled price of gas for its non-urea operations. Further the Company has entered into a contract for procurement of market priced gas for non-urea operations at Trombay unit, effective from 16th May, 2016.

6 **Transition to Ind AS :**

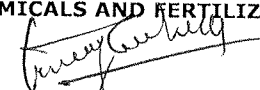
- 6 a **Revenue:** Revenue from operations has been prepared in accordance with Ind AS 18. Excise duty has been included under other expenses.
- 6 b **Employee Benefit Expense:** In accordance with Ind AS 19, the Company has recognised the actuarial Gains or Losses on Defined Benefit Plans in " Other Comprehensive Income"
- 6 c **Mark to Market in respect of Derivative Contracts:** The Company has done a Mark to Market valuation of the derivative Contracts as per Ind AS 109 and the resultant gain/loss has been taken to the Statement of Profit and Loss. Accordingly all foreign exchange variations on account of translation of short term foreign currency monetary liabilities have been charged off to Statement of Profit and Loss.
- 6 d **Segment Reporting:** In accordance with Ind AS 108, Company has classified its segments as Fertilizers, Industrial Chemicals and Trading representing the business activities it is engaged into.
- 7 Reconciliation of Net Profit on account of transition from previous GAAP to Ind- AS for the quarter ended 30th June, 2015 .

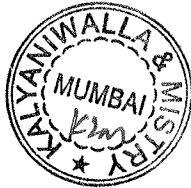
Particulars	(₹ in Lakh)
	Quarter Ended June 30, 2015
Profit after Tax as reported under previous GAAP	5284
Impact of revenue deferment	52
Impact of expense deferment	(11)
Impact of interest on deferment and transaction cost on borrowings (net)	(18)
Fair Valuation of Derivatives	23
Reclassification of actuarial gain / (loss) in respect of defined benefit plan to Other Comprehensive Income	(81)
Depreciation impact on capitalisation of Capital spares / derecognition of assets leased	(58)
Capital spares charged to repairs reversed	68
Tax Impact on the above items, etc.	351
Profit after Tax as reported under Ind- AS	5610

- 8 Previous Period figures have been regrouped wherever necessary.

For and on behalf of
RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED

Place : Mumbai
Date : 29th August 2016


(MANOJ MISHRA)
CHAIRMAN AND MANAGING DIRECTOR
DIN NO: 06408953



KALYANIWALLA & MISTRY (Regd.)

CHARTERED ACCOUNTANTS

The Board of Directors
Rashtriya Chemicals and Fertilizers Limited
"Priyadarshini",
Eastern Express Highway,
Sion, Mumbai – 400 022

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Rashtriya Chemicals and Fertilizers Limited** ('the company') for the quarter ended June 30, 2016, prepared by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016. Attention is drawn to the fact that the figures for the corresponding quarter of the previous year including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under previous GAAP, as reported in these financial results have been approved by company's Board of Directors but have not been subjected to review. This statement is the responsibility of the Company's Management and has been approved by the Board of directors at its meeting held on August 29, 2016. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**KALYANIWALLA
& MISTRY**

4. Emphasis of Matters

We draw attention to the following notes to the financial results:

- a) Note No 3; The matter relating to the issue of unintended benefits accruing to units using domestic gas for manufacture of nutrient "N" has been referred and is pending before an Inter-ministerial Committee (IMC) of Government of India (GoI). An amount of ₹ 19894 lakh has been withheld by Department of Fertilizers (DoF) for the period January, 2014 to September, 2015 towards the same. Pending final decision on the said matter and since the Company is of the view that no unintended benefits have accrued to it and expecting full recoverability of the same, Company has continued to recognize subsidy income on P&K fertilizers at the rates notified by DoF.
- b) Note No. 4; Company expects the compensation towards recognition of increase in cost of gas on account of Petroleum & Natural Gas Regulatory Board order in urea subsidy for the periods relating to 2008-09 to 2010-11 to be notified by GoI. Accordingly it has not provided for an amount of Rs. 1622 lakh recognised as subsidy receivable towards the same which is outstanding for a period more than three years.
- c) Note No. 5; Consequent to Gas pooling being made applicable to Fertilizer (Urea) sector w.e.f. June 1, 2015, it is expected that a differential pricing of gas may be made applicable for non-Urea usage. Company has represented to DoF for maintaining supply of domestic gas for P&K fertilizers and chemicals. Ministry of Petroleum & Natural Gas (MoPNG) vide its order No. L-13013/3/2012-GP-I, dated: December 16, 2015 has directed GAIL (India) Limited to levy a higher gas price (i.e. the highest rate of Re-gasified Liquefied Natural Gas (RLNG) used for production of urea) for gas consumed in non-urea operations. As the matter relating to the same is pending before the IMC of GoI for decision, Company has represented that any decision on the same be taken only upon the issue being settled by the IMC. However, pending finalisation of price payable as per the said order, Company has recognised a liability of Rs. 853 lakh for the quarter and Rs. 19050 lakh for the period commencing from June 1, 2015 to May 15, 2016 based on the pooled price of gas for its non-urea operations. Further the company has entered into a contract for procurement of market priced gas for non-urea operations at Trombay Unit, effective from May 16, 2016.

Our opinion is not modified in respect of these matters.

For **KALYANIWALLA & MISTRY**
CHARTERED ACCOUNTANTS
Firm Regn. No. 104607W



Sai Venkata Ramana Damarla
Partner
Membership No. 107017
Mumbai, August 29, 2016